

Bell Atlantic
1300 I Street NW, Suite 400W
Washington, DC 20005

Dee May
Director, Federal Regulatory Affairs

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March 26, 1998

Ex Parte

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW
Room 222
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

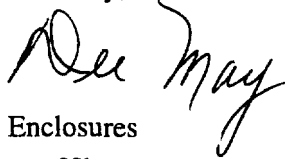
Re: CC Dockets 97-121, 97-137, 97-208, 97-231, Rm 9101 and Reciprocal Compensation Payments to ISPs

Dear Ms. Salas:

On March 24, 1998 representatives from Bell Atlantic met with Commissioner Harold Furchtgott Roth and Mr. Kevin Martin of his office to discuss the above issues. Representing Bell Atlantic were Ms. D. May, Mr. G. Evans, Mr. J. Cullen, Mr. E. Young, Mr. J. Goldberg, Mr. P. Garzillo, Mr. S. Sullivan, Ms. J. Canny, Mr. A. Zanfini, and Mr. T. Delaney III. Please find attached material distributed at the meeting.

If you have any questions, please contact me.

Sincerely,



Enclosures
cc:

Commissioner Furchtgott-Roth
(letter only)
Kevin Martin (letter only)
Carol Matthey
Melissa Newman
Michael Pryor
Katherine Schroder
Richard Metzger (Letter only)
Michael Riordan (Letter only)
Richard Welch (Letter only)
Greg Cooke (Letter only)
David Kirschner (Letter only)
Susan Launer (Letter only)
Lisa Choi (Letter only)
Barbara Esbin (Letter only)
Audrey Wright (Letter only)

Jonathan Askin (Letter only)
Michelle Carey (Letter only)
Jordan Goldstein (Letter only)
Wendy Lader (Letter only)
Jennifer Fabian (Letter only)
Craig Brown (Letter only)
Bill Bailey (Letter only)
Jake Jennings (Letter only)
Linda Kinney (Letter only)
Jeannie Su (Letter only)



BELL ATLANTIC

Telecom Industry Services

Local Competition in the Bell Atlantic Region

March 24, 1998

Presented By:
Jack Goldberg
President
Bell Atlantic Telecom Industry Services

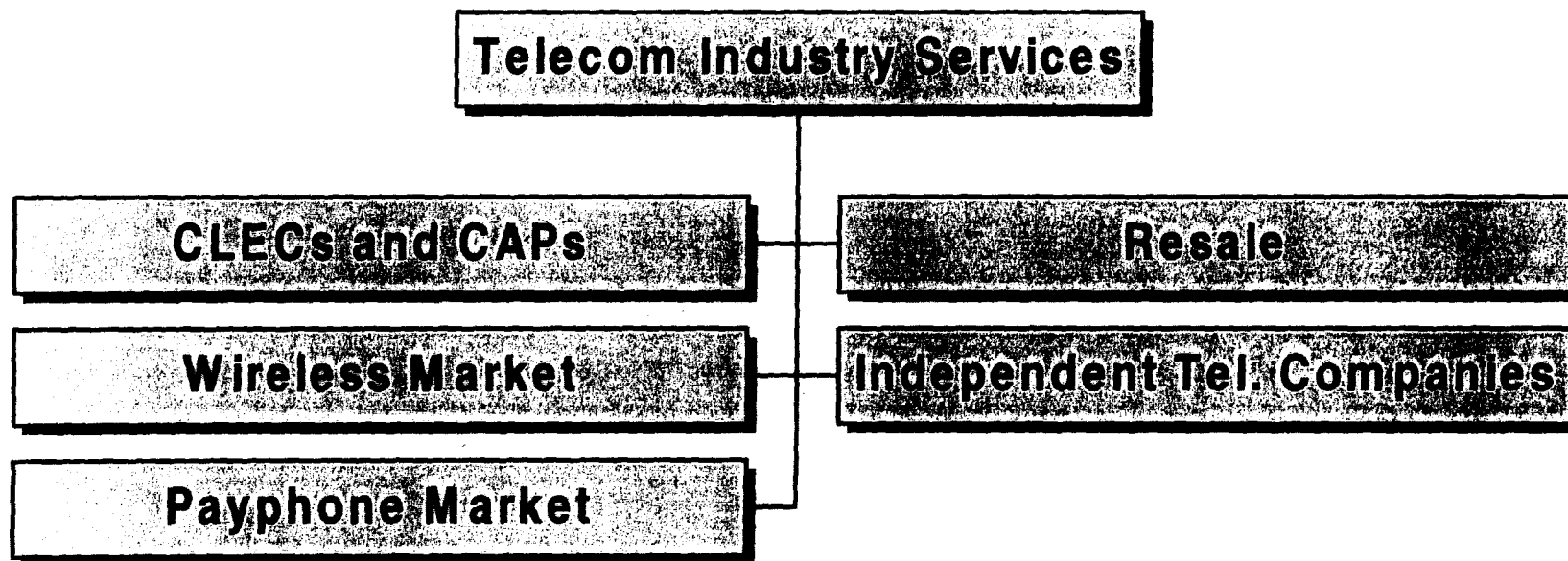


Agenda

- ◆ Bell Atlantic's Wholesale Business Unit
- ◆ Local Entry Overview
- ◆ Implementing Local Competition
- ◆ Wholesale Program Overview
- ◆ OSS Demonstration

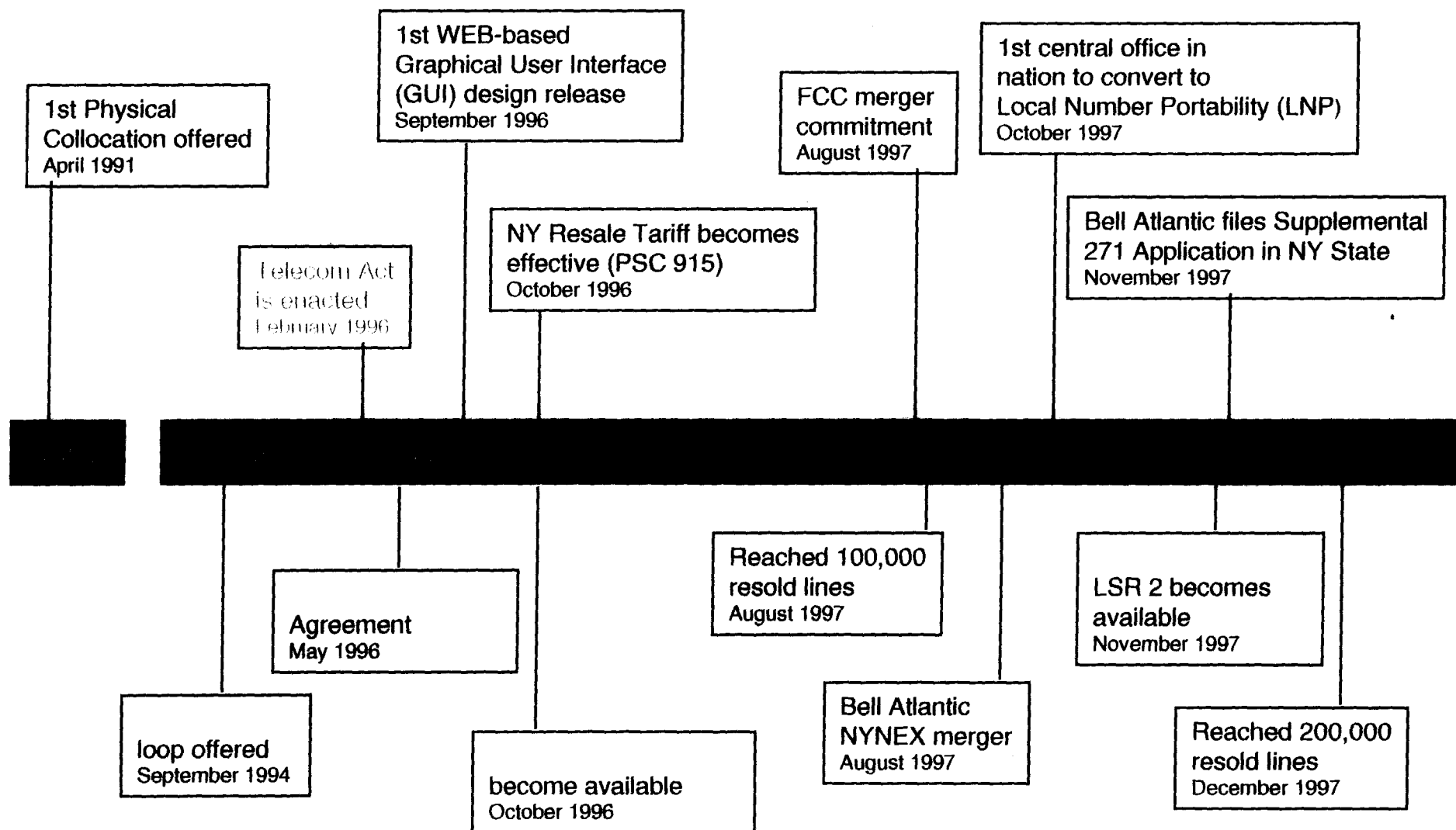


Bell Atlantic Telecom Industry Services Organization





Timeline





Wholesale Progress Report

◆ Number of wholesale customers:	150+ (CLECs and resellers)
◆ Signed Agreements:	320+
◆ Approved agreements:	210+
◆ Unbundled loops:	46,000+
◆ Resold lines:	267,000+
◆ Minutes of use exchanged between Bell Atlantic and our in-region new entrants through January 1998:	1.7 Billion
◆ Trained students from new entrants:	1,400+
◆ Interconnection trunks in operation:	296,000+
◆ Collocation sites in our switching centers:	458
◆ Exchange codes requested for use by new entrants:	2,600+



Local Market Entry Overview

- ♦ There are many approaches to enter the local market
- ♦ Local service providers use one or a combination per region and per customer type

Entry Strategy	Owns Switch	Purchase from Bell Atlantic
Resale		Retail services at a discount
CLEC - No facilities		<ul style="list-style-type: none">• Collocates in Bell Atlantic's central offices• Loops, switching and transport• Combines network elements
CLEC – Partial facilities	<input checked="" type="checkbox"/>	<ul style="list-style-type: none">• Collocates in Bell Atlantic's central offices• Loops
CLEC - Facilities Bypass	<input checked="" type="checkbox"/>	<ul style="list-style-type: none">• Interconnects with Bell Atlantic's network• Originating and terminating traffic with Bell Atlantic

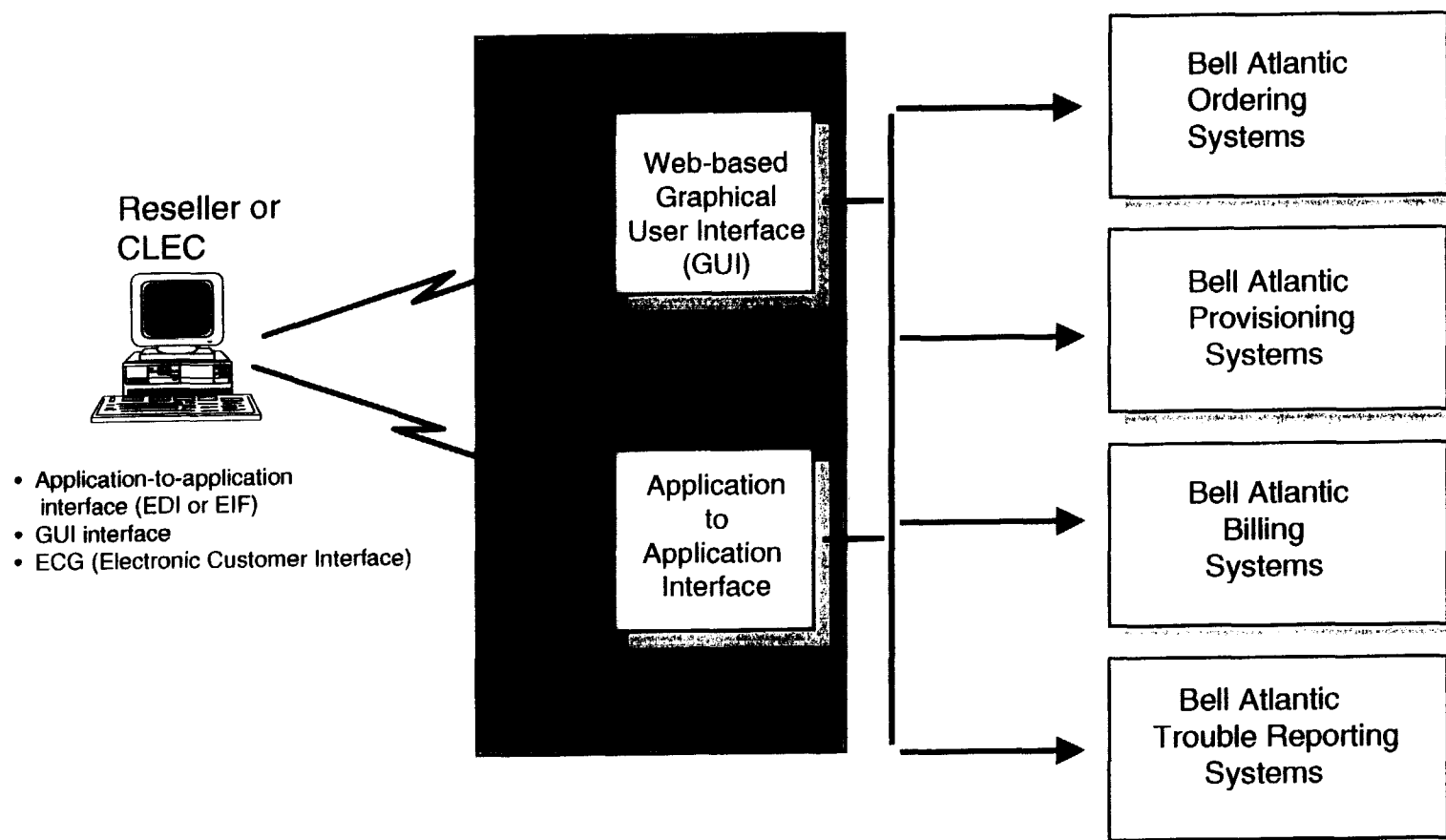


Resale vs. UNE Comparison

	Resale	Unbundled Network Elements
Pricing	Discount off retail price	Forward Looking Economic Cost plus reasonable return
Order	By service (e.g., 1MB, 1MR, Call Waiting, Toll Usage Plan)	By UNE (e.g., NID, Loop, Unbundled Local Switching, Tandem Switching, SS7, IOF, Signalling, Access to Databases, Operator Services, Shared Transport)
Provisioning	By service	By element
Billing	By service, by account	By element, by Central Office
Maintenance	Reseller takes trouble report, tests and reports to Bell Atlantic. BA maintains the service.	CLEC takes trouble, isolates, tests, reports and dispatches to element level.

BA Wholesale Systems Overview

ILLUSTRATIVE



Supported Interfaces/Formats

	BA South	BA North
Pre-ordering	<ul style="list-style-type: none"> • ECG • GUI - 3rd Q'98 • CORBA - 3rd Q'98 	<ul style="list-style-type: none"> • GUI • EIF • CORBA - 3rd Q'98
Ordering	<ul style="list-style-type: none"> • EDI • PC EDI • LSR; paper forms • GUI - 2nd Q'98 	<ul style="list-style-type: none"> • EDI • EIF • LSR • GUI
Billing	<ul style="list-style-type: none"> • BDT • EMR 	<ul style="list-style-type: none"> • BDT • EMR
Maintenance	<ul style="list-style-type: none"> • ECG • GUI - 3rd Q'98 	<ul style="list-style-type: none"> • EIF • GUI
Order Volume (2/98)	<ul style="list-style-type: none"> • 11,712 • 9% electronic • 2% flow-through 	<ul style="list-style-type: none"> • 19,144 • 95% electronic • 42% flow-through



Ways of Helping Our Customers

COMMUNICATIONS

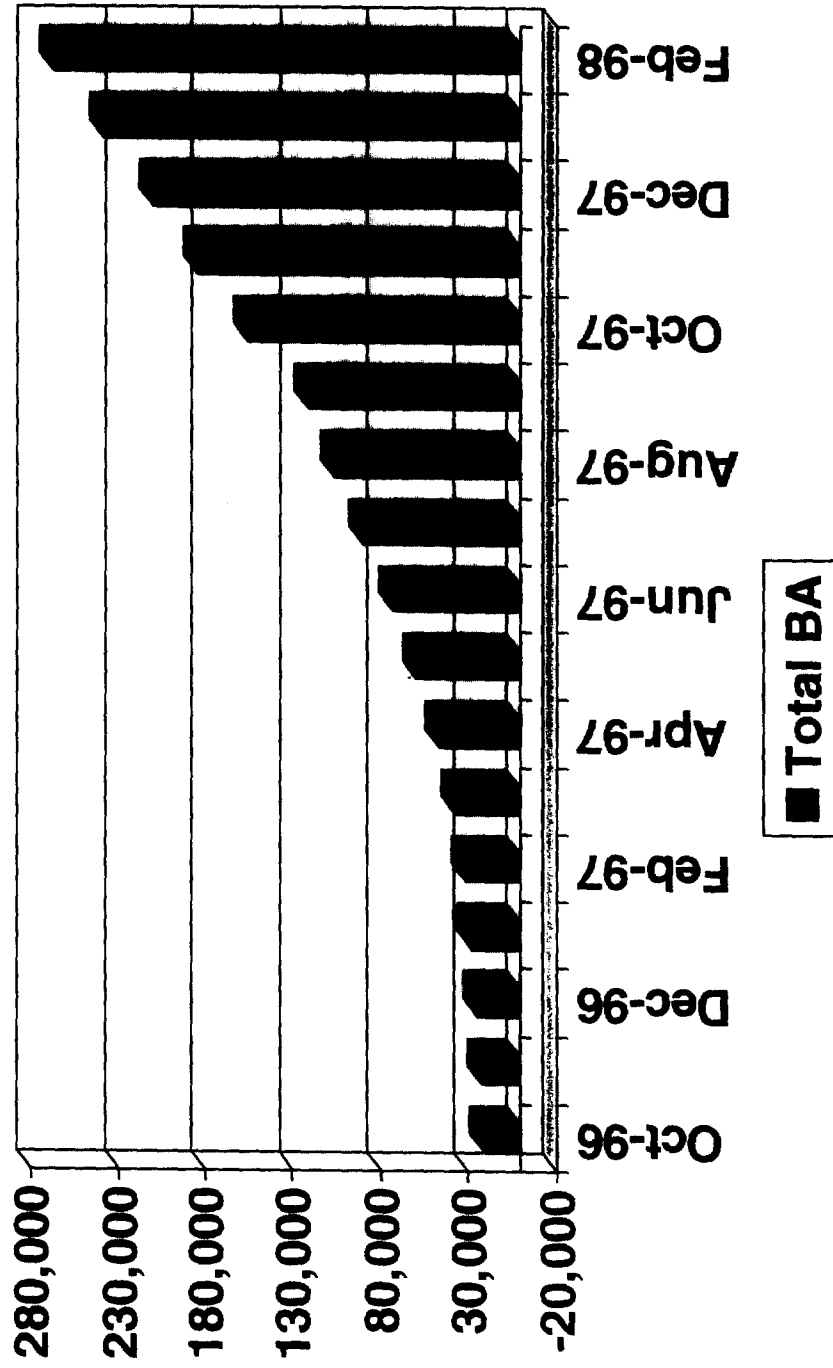
- ♦ Wholesale handbooks
- ♦ Industry Mailings
- ♦ Web site
- ♦ Product/User Guides
- ♦ Newsletters
- ♦ Customer Conferences

TRAINING

- ♦ Wholesale Product and Process training
- ♦ Traditional classroom plus interactive systems training
- ♦ Standard and Customized
- ♦ TIS Seminar Series

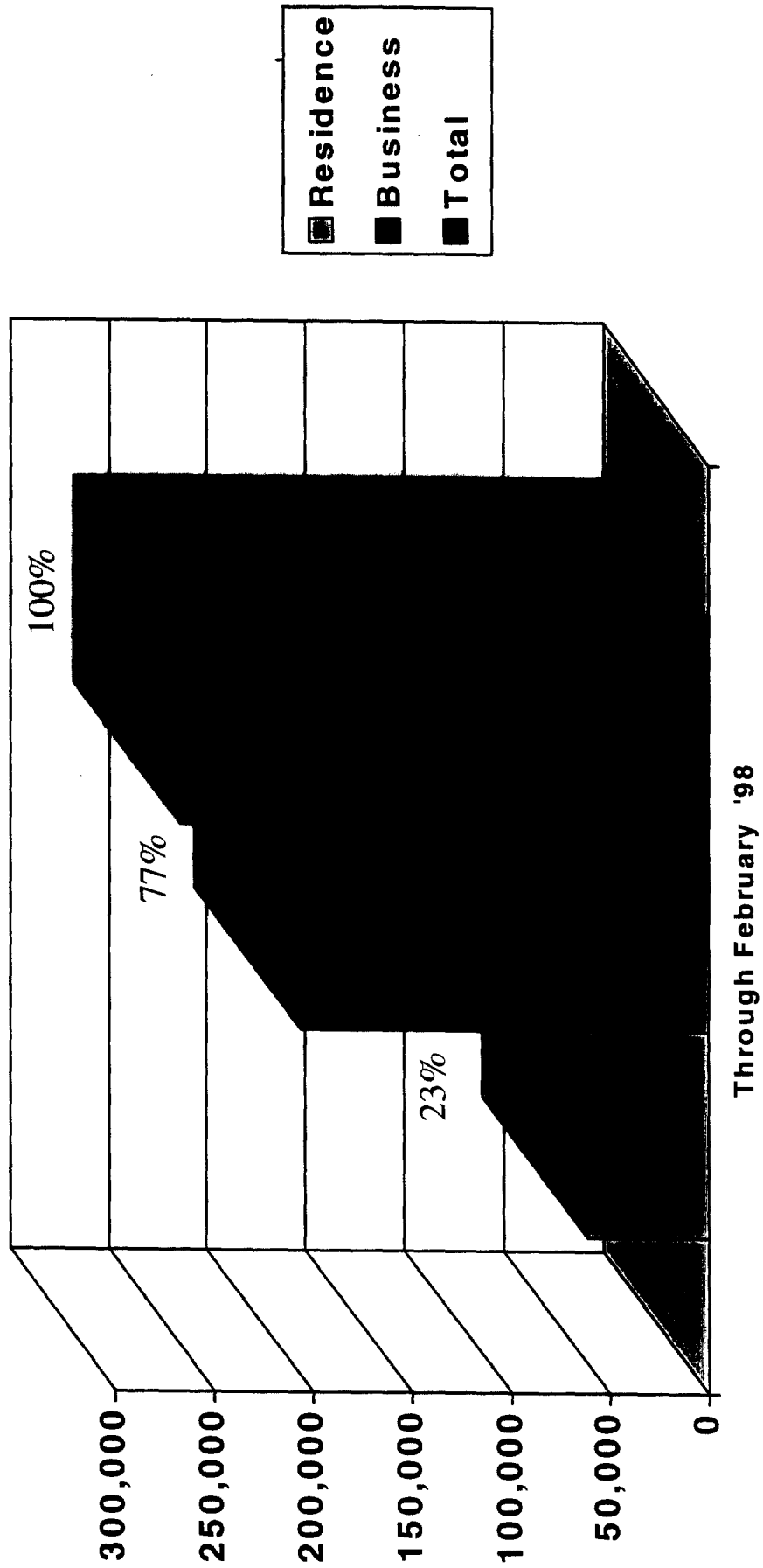


Resale Lines in Service

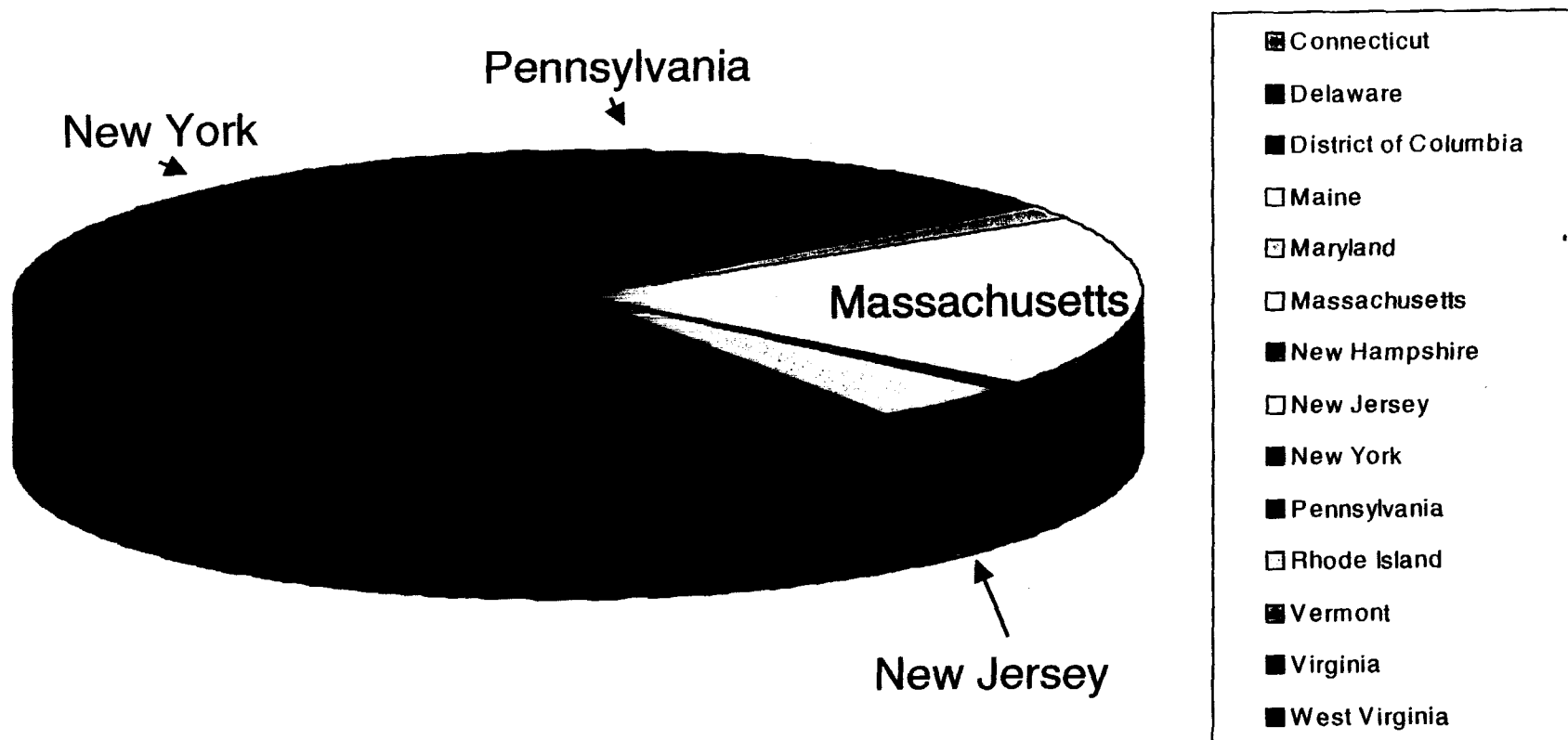




Resale Lines in Service

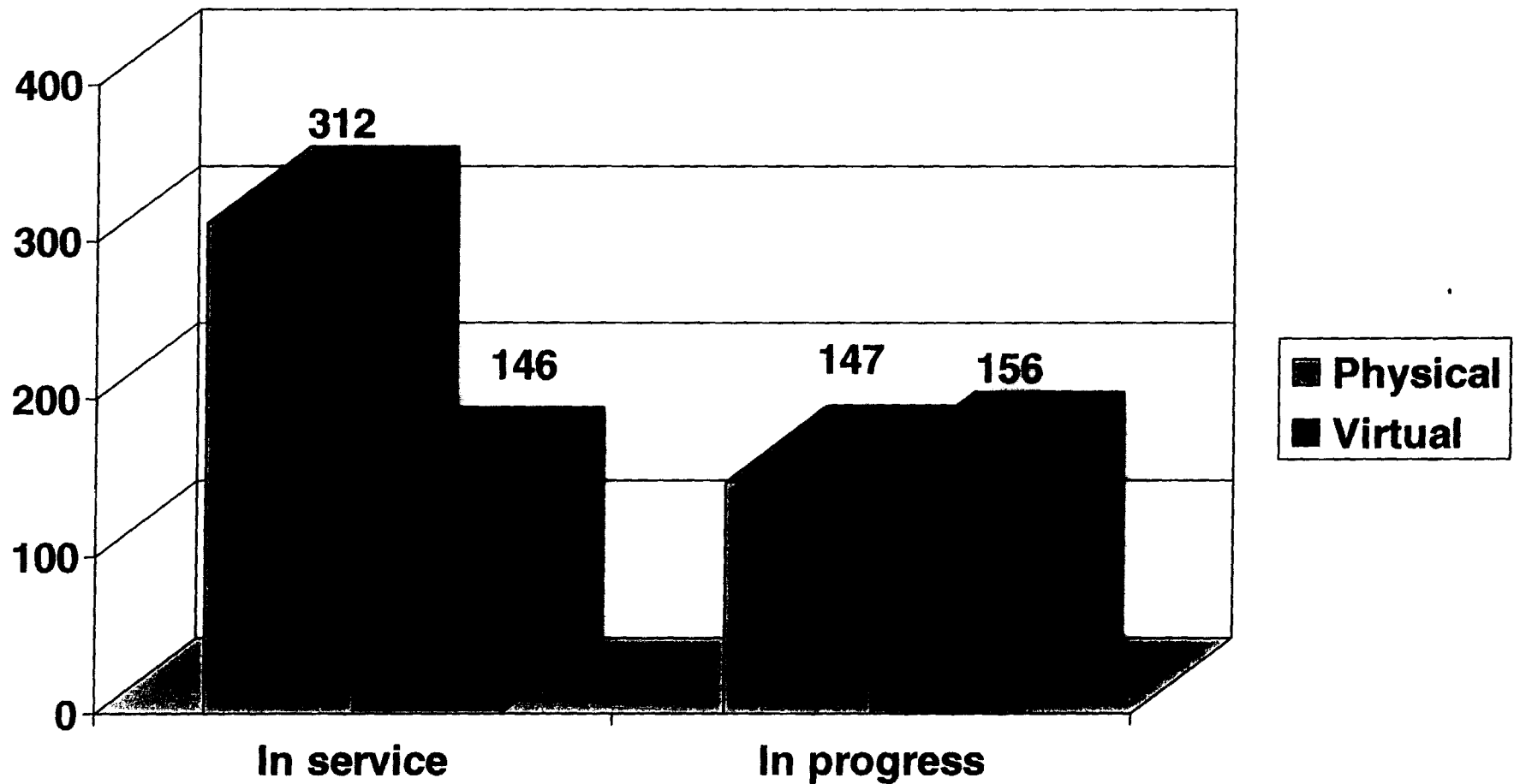


Resale Lines in Service by State



Total Bell Atlantic Resold Lines in Service through February 1998

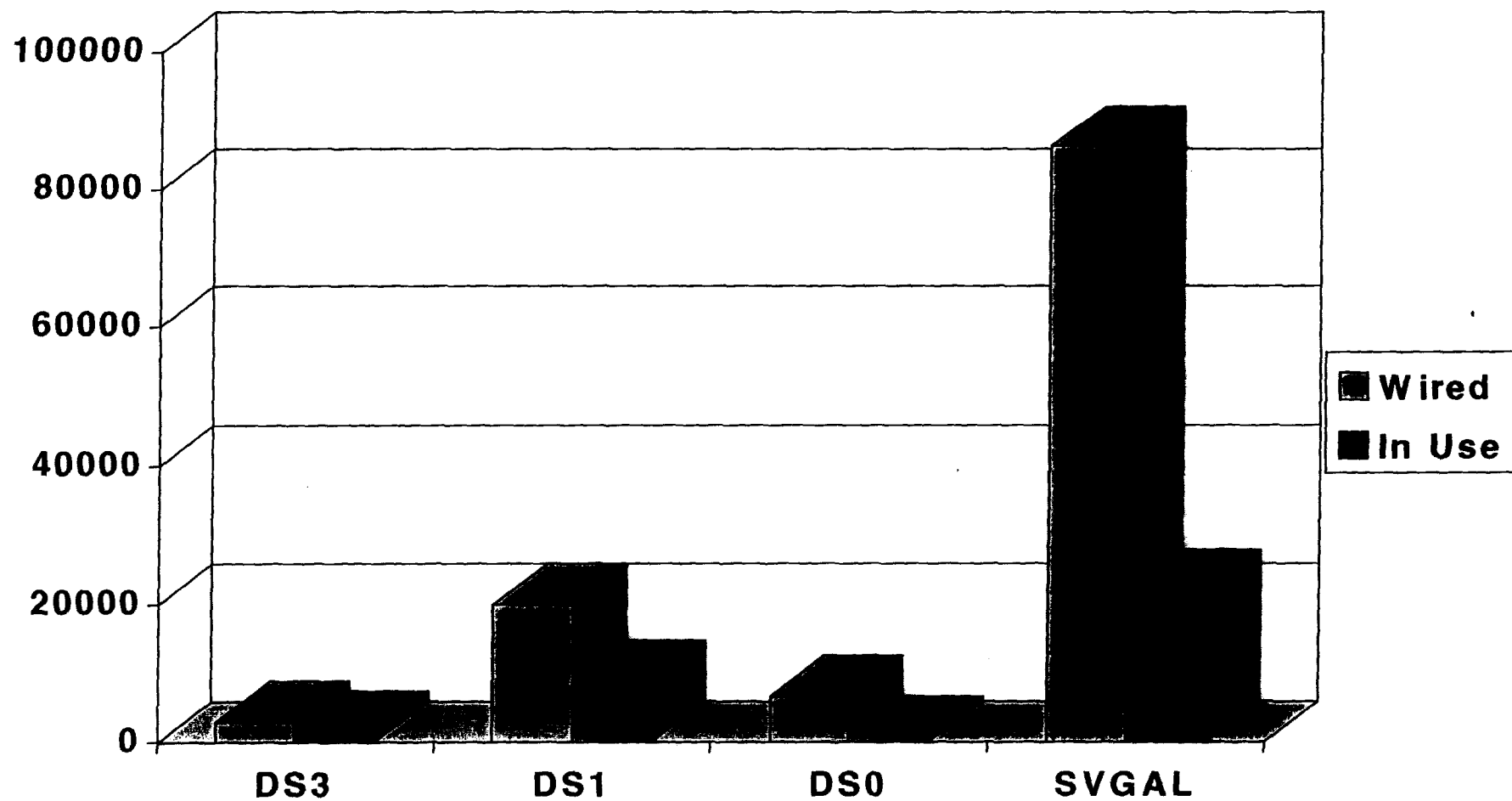
Collocation



As of January 1998, throughout Bell Atlantic



Collocation Utilization New York

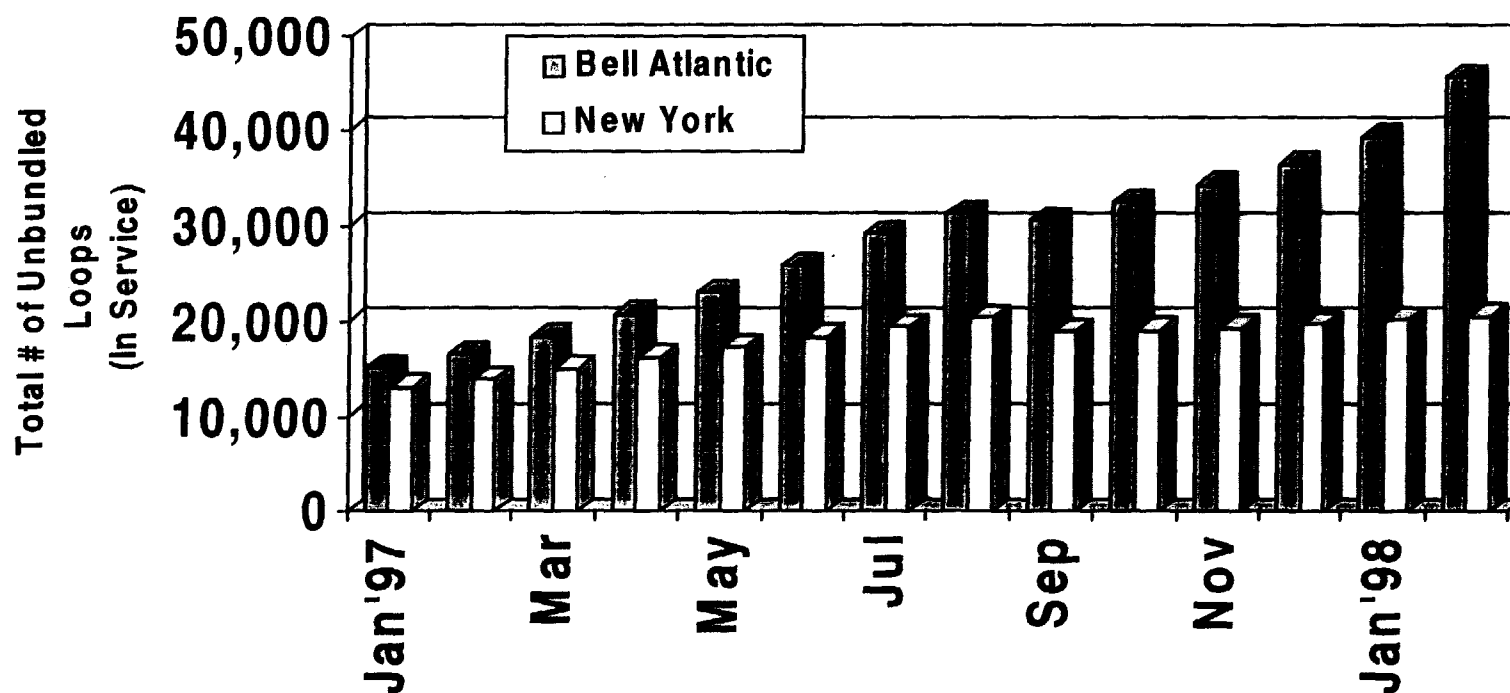


For cages turned up and accepted prior to 1997 in New York = 69



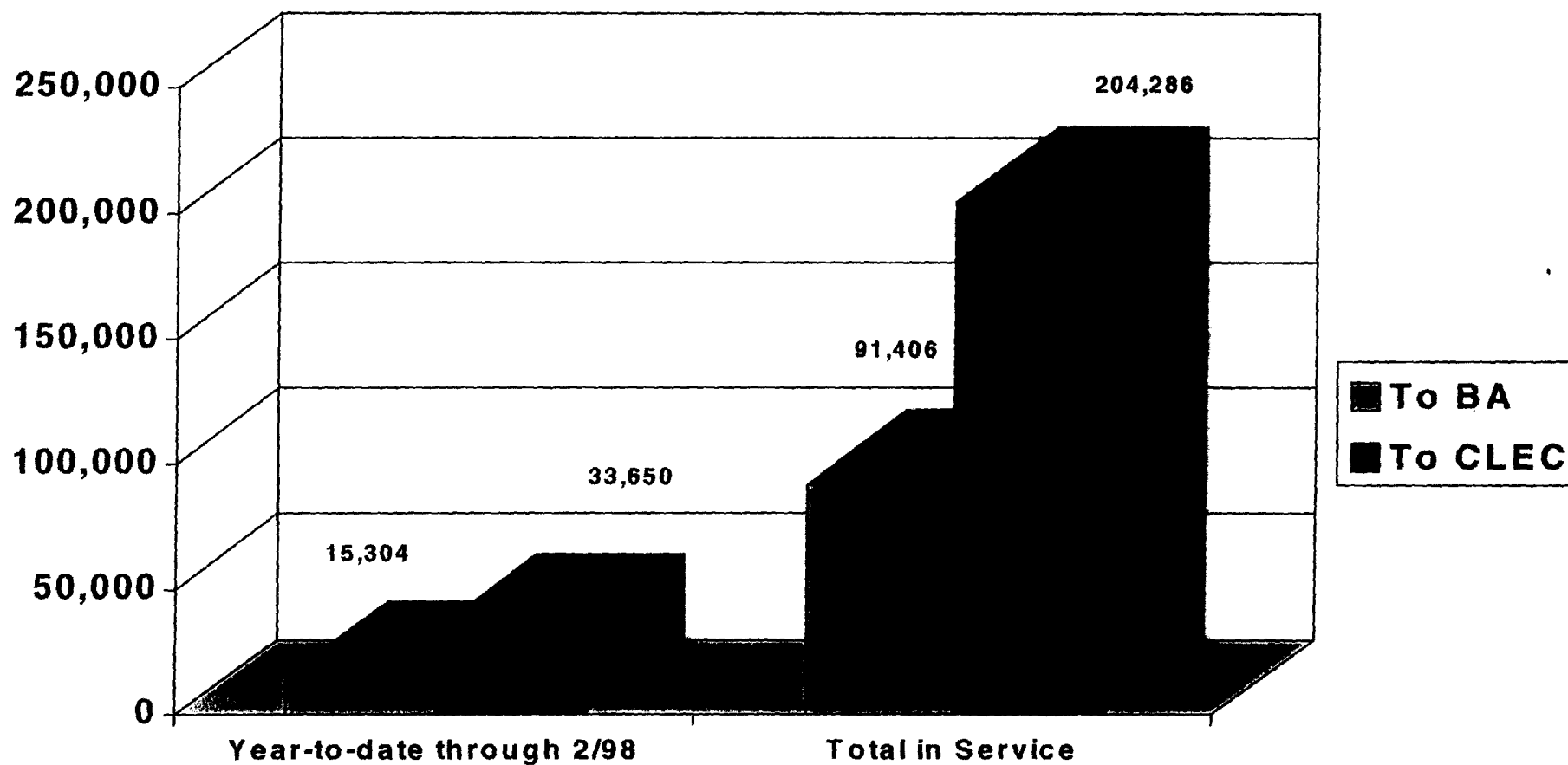
Total Unbundled Loops

Total Unbundled Loops (In Service)
Bell Atlantic Total and New York State



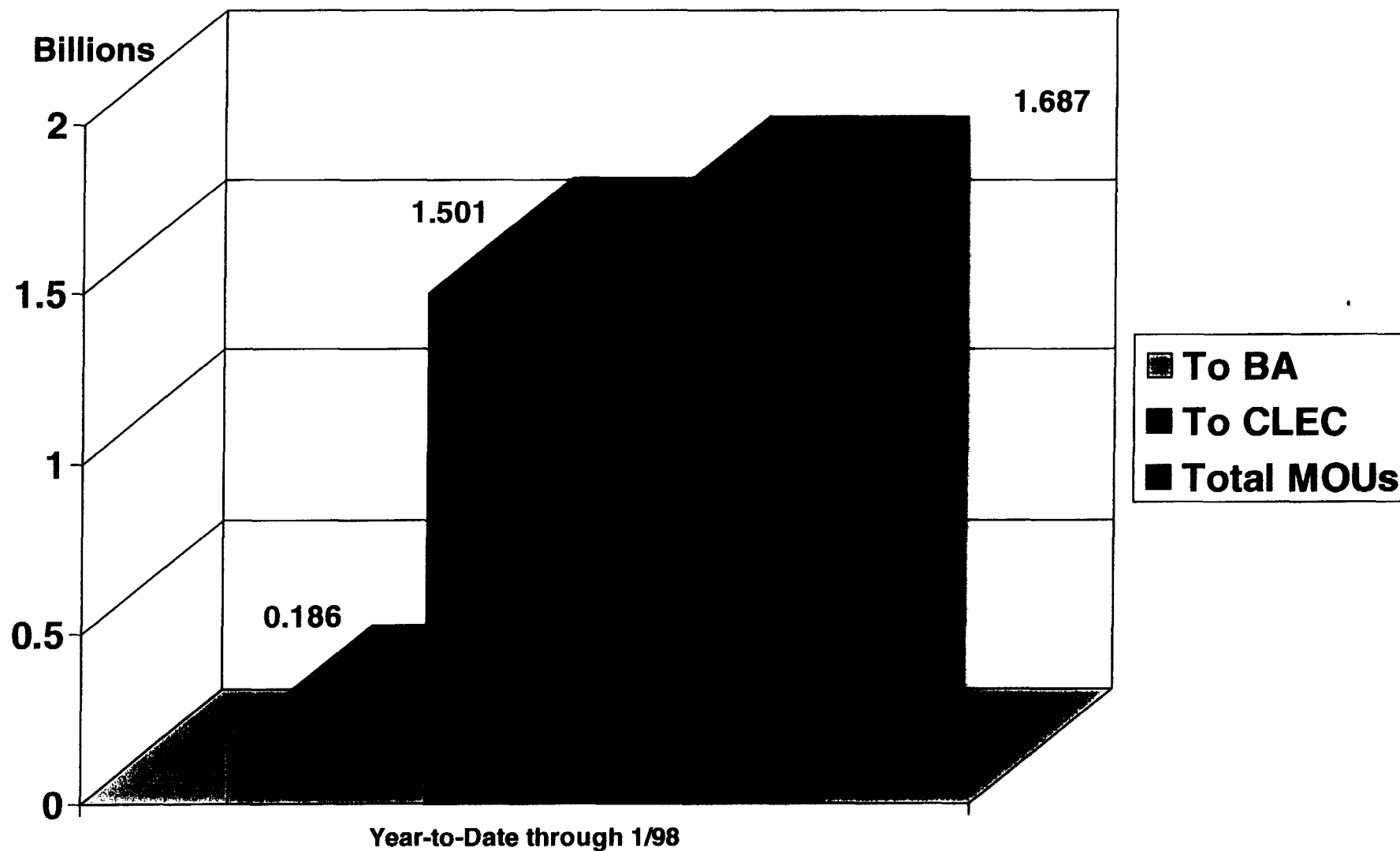


Interconnection Trunks



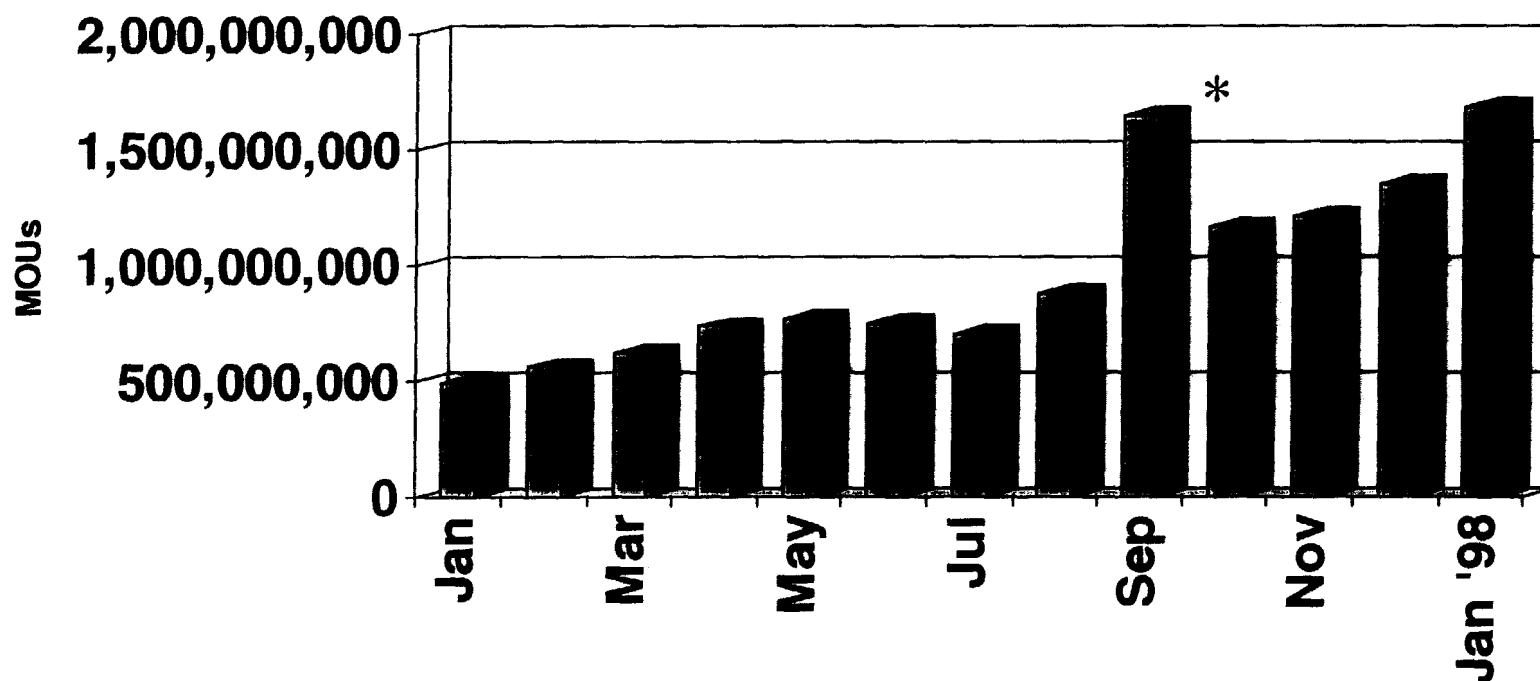


Interconnection Minutes of Use



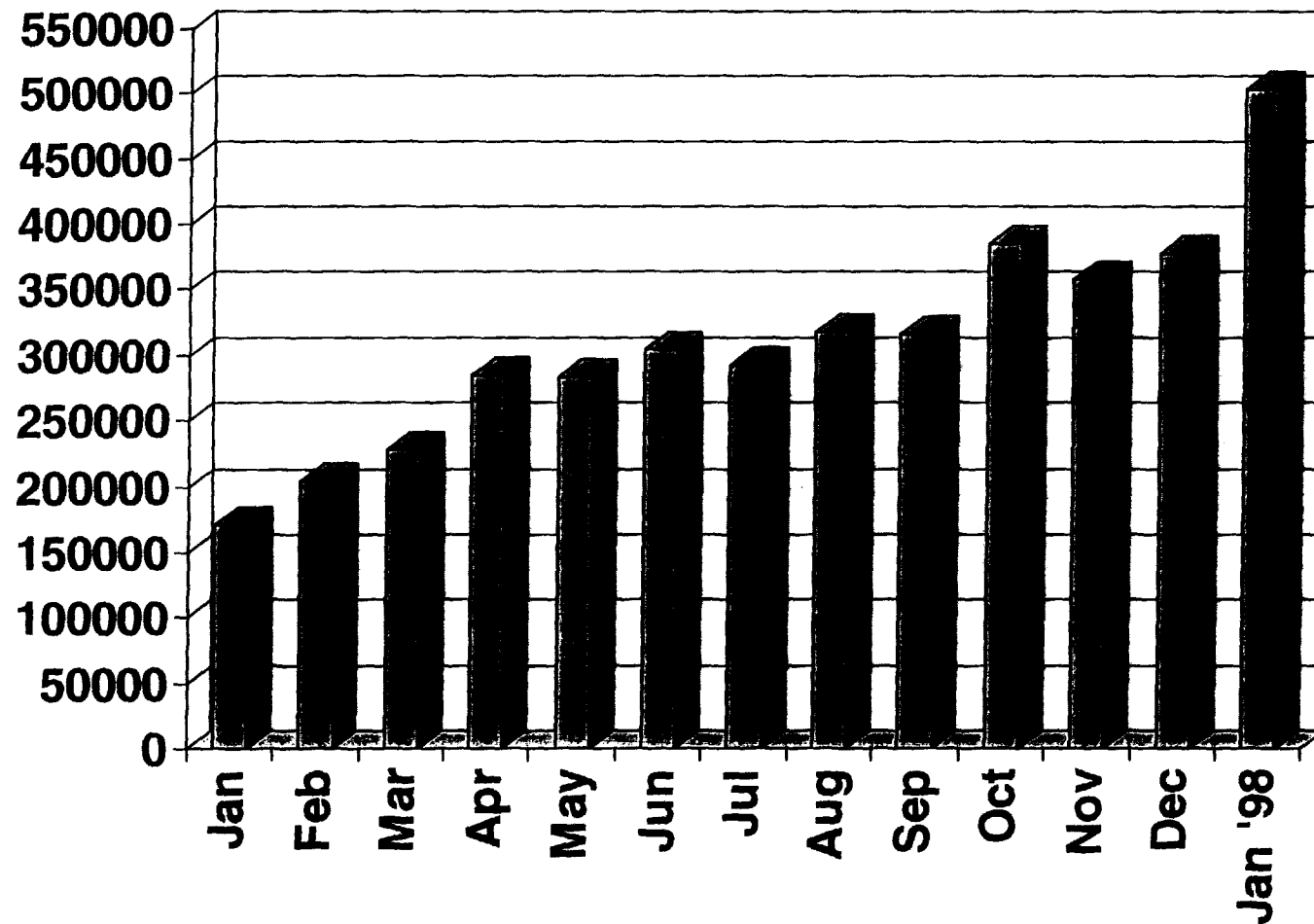
Total Minutes of Use

Total Bell Atlantic Minutes of Use



* Includes MOUs billed from prior months

Estimate of CLEC Provided Access Lines





Access Lines*

		NY METRO	UPSTATE	TOTAL	NY METRO	UPSTATE	TOTAL
CLEC Facilities-Based	Residential	3,438	0	3,438	2.4%	0%	2.2%
	Business	142,476	8,659	151,135	97.6%	100.0%	97.8%
	Total	145,914	8,659	154,573			
CLEC RESALE	Residential	13,866	2,053	15,919	23.3%	9.4%	19.6%
	Business	45,759	19,743	65,502	76.7%	90.6%	80.4%
	Total	59,625	21,796	81,421			
CLEC FB + Resale	Residential	17,304	2,053	19,357	8.4%	6.7%	8.2%
	Business	188,235	28,402	216,637	91.6%	93.3%	91.8%
	Total	205,539	30,455	235,994			
BA-NY	Residential	5,148,590	1,980,331	7,128,921	63.2%	72.3%	65.5%
	Business	2,995,644	758,588	3,754,232	36.8%	27.7%	34.5%
	Total	8,144,234	2,738,919	10,883,153			

* Note: Based on filings provided by 15 CLECs in the NY PSC 271 Proceeding (NY PSC 97 C-1963)

As of 10/97



CLEC Market Share*

	NY METRO	UPSTATE	TOTAL
Residential	0.3%	0.1%	0.3%
Business	<u>5.9%</u>	<u>3.6%</u>	<u>5.5%</u>
Total	2.5%	1.1%	2.1%

* Note: Based on filings provided by 15 CLECs in the NY PSC 271 Proceeding (NY PSC 97 C-1963)

As of 10/97



CLEC Local Switch Locations and Capacity*

Location	# Switches	Capacity Access Lines
Upstate	6	43,953
NY Metro	<u>14</u>	<u>289,080</u>
Total	20	333,033

* Note: Based on filings provided by 9 CLECs in the NY PSC 271 Proceeding (NY PSC 97 C-1963)

As of 10/97



Competitive Checklist Items Purchased From BA-NY*

Checklist #	i	ii	iii	iv	v	vi	vii	viii	ix	x	xi	xii	xiii	xiv
# of CLECS Purchasing Item	7	2	2	4	4	1	9	7	6	4	7	4	4	8

*Note: Based on filings provided by 15 CLECs in the NY PSC 271 Proceeding (NY PSC 97 C-1963).

As of 10/97